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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

- Affects PG&E Corporation
- Affects Pacific Gas and Electric Company
- Affects both Debtors

** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REORGANIZED DEBTORS' EIGHTEENTH
OMNIBUS OBJECTION TO CLAIMS
(AMENDED AND SUPERSEDED CLAIMS)**

Response Deadline:
November 3, 2020, 4:00 p.m. (PT)

Hearing Information If Timely Response Made:

Date: November 17, 2020

Time: 10:00 a.m. (Pacific Time)

Place: (Telephonic Appearances Only)
United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 TO: (A) THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY
2 JUDGE; (B) THE OFFICE OF THE UNITED STATES TRUSTEE; (C) THE AFFECTED
2 CLAIMANTS; AND (D) OTHER PARTIES ENTITLED TO NOTICE:

3 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as
4 debtors and reorganized debtors (collectively, “**PG&E**” or the “**Debtors**” or as reorganized pursuant to
5 the Plan (as defined below), the “**Reorganized Debtors**”) in the above-captioned chapter 11 cases (the
6 “**Chapter 11 Cases**”) hereby submit this eighteenth omnibus objection (the “**Objection**”) to the Proofs
7 of Claim (as defined below) identified in the column headed “Claims To Be Disallowed and Expunged”
8 on Exhibit 1 annexed hereto.

9 **I. JURISDICTION**

10 This Court has jurisdiction over this Objection under 28 U.S.C. §§ 157 and 1334; the *Order*
11 *Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.); and
12 Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern
13 District of California (the “**Bankruptcy Local Rules**”). This matter is a core proceeding pursuant to 28
14 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The
15 statutory predicates for the relief requested are section 502 of title 11 of the United States Code (the
16 “**Bankruptcy Code**”) and Rule 3007 of the Federal Rules of Bankruptcy Procedure (collectively, the
17 “**Bankruptcy Rules**”).

18 **II. BACKGROUND**

19 On January 29, 2019 (the “**Petition Date**”), the Debtors commenced with the Court voluntary
20 cases under chapter 11 of the Bankruptcy Code. Prior to the Effective Date (as defined below), the
21 Debtors continued to operate their businesses and manage their properties as debtors in possession
22 pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner was appointed
23 in either of the Chapter 11 Cases. The Debtors’ Chapter 11 Cases are being jointly administered for
24 procedural purposes only pursuant to Bankruptcy Rule 1015(b).

25 On February 12, 2019, the United States Trustee (the “**U.S. Trustee**”) appointed an Official
26 Committee of Unsecured Creditors (the “**Creditors Committee**”). On February 15, 2019, the U.S.
27 Trustee appointed an Official Committee of Tort Claimants (the “**Tort Claimants Committee**” and,
28 together with the Creditors Committee, the “**Committees**”).

1 Additional information regarding the circumstances leading to the commencement of the Chapter
2 Cases and information regarding the Debtors' businesses and capital structure is set forth in the
3 *Amended Declaration of Jason P. Wells in Support of the First Day Motions and Related Relief* [Docket
4 No. 263].

5 On July 1, 2019, the Court entered the *Order Pursuant to 11 U.S.C. §§ 502(b)(9) and 105(a),*
6 *Fed. R. Bankr. P. 2002, 3003(c)(3), 5005, and 9007, and L.B.R. 3003-1 (I) Establishing Deadline for*
7 *Filing Proofs of Claim, (II) Establishing the Form and Manner of Notice Thereof, and (III) Approving*
8 *Procedures for Providing Notice of Bar Date and Other Information to All Creditors and Potential*
9 *Creditors* [Docket No. 2806] (the "**Bar Date Order**"). The Bar Date Order set the deadline to file all
10 proofs of claim (each, a "**Proof of Claim**") in respect of any prepetition claim (as defined in section
11 101(5) of the Bankruptcy Code), including all claims of Fire Claimants (as defined therein), Wildfire
12 Subrogation Claimants (as defined therein), Governmental Units (as defined in section 101(27) of the
13 Bankruptcy Code), and Customers, and for the avoidance of doubt, including all secured claims and
14 priority claims, against either of the Debtors as October 21, 2019 at 5:00 p.m. Pacific Time (the "**Bar**
15 **Date**"). The Bar Date later was extended solely with respect to unfiled, non-governmental Fire
16 Claimants to December 31, 2019 [Docket No. 4672]¹; and subsequently with respect to certain claimants
17 that purchased or acquired the Debtors' publicly held debt and equity securities and may have claims
18 against the Debtors for rescission or damages to April 16, 2020 [Docket No. 5943].

19 By Order dated June 20, 2020 [Dkt. No. 8053], the Bankruptcy Court confirmed the *Debtors'*
20 *and Shareholder Proponents' Joint Chapter 11 Plan of Reorganization Dated June 19, 2020* (as may be
21 further modified, amended or supplemented from time to time, and together with any exhibits or
22 scheduled thereto, the "**Plan**"). The Effective Date of the Plan occurred on July 1, 2020 (the "**Effective**
23 **Date**"). *See* Dkt. No. 8252.

24 **III. RELIEF REQUESTED**

25 The Reorganized Debtors file this Objection, pursuant to section 502 of the Bankruptcy Code,
26 Bankruptcy Rule 3007, Bankruptcy Local Rule 3007-1, and the *Order Approving (A) Procedures for*

27 ¹ The claims of Fire Claimants will be administered through the Fire Victim Trust and the claims of
28 Wildfire Subrogation Claimants through the Subrogation Wildfire Trust in accordance with the Plan.

1 *Filing Omnibus Objections to Claims and (B) the Form and Manner of the Notice of Omnibus*
2 *Objections*, dated June 30, 2020 [Docket No. 8228] (the “**Omnibus Objections Procedures Order**”),
3 seeking entry of an order disallowing Proofs of Claim that duplicate others already submitted in these
4 Chapter 11 Cases (referred to hereafter as the “**Amended and Superseded Claims**”). The Amended
5 and Superseded Claims and the Proofs of Claims of which they are duplicates (the “**Surviving Claims**”)
6 are both identified on **Exhibit 1**, in the columns headed “Claims To Be Disallowed and Expunged” and
7 “Surviving Claims,” respectively. The Amended and Superseded Claims are so classified because each
8 such claim was superseded by a subsequently filed Proof of Claim that expresses that intention either on
9 the face of, or in the attachments to, the later-filed Proof of Claim (e.g., the Surviving Claim). The
10 Reorganized Debtors request that the Amended and Superseded Claims be disallowed and expunged.
11 The Objection does not affect any of the Surviving Claims. There is a Surviving Claim for each
12 underlying claim asserted against the Debtors by an Amended and Superseded Claim that is the subject
13 of this Objection.²

14 **IV. ARGUMENT**

15 **A. The Amended and Superseded Claims Should be Disallowed**

16 Bankruptcy Rules 3007(d) and (e) and the Omnibus Objections Procedures Order govern
17 omnibus objections to claims in these Chapter 11 Cases. Pursuant to Bankruptcy Rule 3007(d)(1),
18 objections to more than one claim may be joined if the objections are based solely on the grounds that
19 the claims should be disallowed, in whole or in part, because they have been amended. Bankruptcy Rule
20 3007(e) requires that an omnibus objection must list the claimants alphabetically and by cross-reference
21 to claim numbers. Each of the Amended and Superseded Claims identified on **Exhibit 1** hereto amends
22 another claim, which the Reorganized Debtors have referenced. Each of the Claimants is listed
23 alphabetically, and the claim number and amount are identified in accordance with Bankruptcy Rule
24 3007(e). Furthermore, in accordance with the Omnibus Objections Procedures Order, the Reorganized

25 ² In some instances the same Surviving Claim appears in multiple entries in the “Surviving Claims”
26 column on **Exhibit 1**. The multiple entries mean that there were multiple Amended and Superseded
27 Claims filed with respect to the same underlying obligation, and the identified Surviving Claim listed
28 in multiple entries is the sole remaining Proof of Claim for all of the corresponding Amended and
Superseded Claims listed in the “Claims To Be Disallowed and Expunged” column.

1 Debtors have sent individualized notices to the holders of each of the Amended and Superseded Claims.
2 The Reorganized Debtors request that the Court disallow the Amended and Superseded Claims in their
3 entirety. For the avoidance of doubt, the Surviving Claims are not affected by this Objection.

4 The Reorganized Debtors and their professionals have reviewed the Amended and Superseded
5 Claims, all documents furnished by the Claimants with respect to the Amended and Superseded Claims,
6 and the Reorganized Debtors' books and records, and have determined that each Amended and
7 Superseded Claim is obsolete because the Claimant has filed an amended or subsequent claim with
8 respect to the same underlying asserted obligations. To avoid multiple recoveries by the same Claimant
9 on the same asserted obligation, the Reorganized Debtors request that the Court disallow and expunge
10 in their entirety the Amended and Superseded Claims. The Surviving Claims will remain on the claims
11 register, subject to pending and further objections.

12 **B. The Claimants Bear the Burden of Proof**

13 A filed proof of claim is "deemed allowed, unless a party in interest . . . objects." 11 U.S.C.
14 § 502(a).³ Section 502(b)(1) of the Bankruptcy Code, however, provides in relevant part that a claim
15 may not be allowed if "such claim is unenforceable against the debtor and property of the debtor, under
16 any agreement or applicable law." 11 U.S.C. § 502(b)(1). Once the objector raises "facts tending to
17 defeat the claim by probative force equal to that of the allegations of the proofs of claim themselves,"
18 *Wright v. Holm (In re Holm)*, 931 F.2d 620, 623 (9th Cir. 1991), quoting 3 L. King, *Collier on*
19 *Bankruptcy* § 502.02 at 502-22 (15th ed. 1991), then "the burden reverts to the claimant to prove the
20 validity of the claim by a preponderance of the evidence," *Ashford v. Consolidated Pioneer Mortgage*
21 (*In re Consolidated Pioneer Mortgage*) 178 B.R. 222, 226 (B.A.P. 9th Cir. 1995) (quoting *In re*
22 *Allegheny Int'l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992)), *aff'd without opinion* 91 F.3d 151 (9th Cir.
23 1996). "[T]he ultimate burden of persuasion is always on the claimant." *Holm*, 931 F.2d at 623 (quoting
24 King, *Collier on Bankruptcy*); see also *Lundell v. Anchor Constr. Specialists, Inc.*, 223 F.3d 1035, 1039
25 (9th Cir. 2000), *Spencer v. Pugh (In re Pugh)*, 157 B.R. 898, 901 (BAP 9th Cir. 1993); *In re Fidelity*
26 *Holding Co.*, 837 F.2d 696, 698 (5th Cir. 1988).

27

³ Under Section 7.1 of the Plan, the Reorganized Debtors have until 180 days after the Plan's Effective
28 Date to bring objections to claims, which deadline may be extended by the Court.

1 As set forth above, the Reorganized Debtors submit that the Amended and Superseded Claims
2 are duplicates and should be disallowed. If any Claimant believes that an Amended and Superseded
3 Claim is valid and non-duplicative, it must present affirmative evidence demonstrating the validity of
4 that claim.

5 **V. RESERVATION OF RIGHTS**

6 The Reorganized Debtors hereby reserve the right to object, as applicable, in the future to any of
7 the Proofs of Claim listed in this Objection (including the Amended and Superseded Claims and the
8 Surviving Claims) on any ground, and to amend, modify, or supplement this Objection to the extent an
9 objection to a claim is not granted, and to file other objections to any proofs of claims filed in these
10 cases, including, without limitation, objections as to the amounts asserted therein, or any other claims
11 (filed or not) against the Debtors, regardless of whether such claims are subject to this Objection. A
12 separate notice and hearing will be scheduled for any such objections. Should the grounds of objection
13 specified herein be overruled or withdrawn, wholly or in part, the Reorganized Debtors reserve the right
14 to object to the Amended and Superseded Claims on any other grounds that the Reorganized Debtors
15 may discover or deem appropriate.

16 **VI. NOTICE**

17 Notice of this Objection will be provided to (i) holders of the Amended and Superseded Claims;
18 (ii) the Office of the U.S. Trustee for Region 17 (Attn: Andrew R. Vara, Esq. and Timothy Laffredi,
19 Esq.); (iii) counsel to the Creditors Committee; (iv) counsel to Tort Claimants Committee; (v) all counsel
20 and parties receiving electronic notice through the Court's electronic case filing system; and (vi) those
21 persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to
22 Bankruptcy Rule 2002. The Reorganized Debtors respectfully submit that no further notice is required.
23 No previous request for the relief sought herein has been made by the Reorganized Debtors to this or
24 any other Court.

25 WHEREFORE the Reorganized Debtors respectfully request entry of an order granting (i) the
26 relief requested herein as a sound exercise of the Reorganized Debtors' business judgment and in the
27 best interests of their estates, creditors, shareholders, and all other parties interests, and (ii) such other
28 and further relief as the Court may deem just and appropriate.

1 Dated: October 8, 2020

2 **KELLER BENVENUTTI KIM LLP**

3 By: /s/ Peter J. Benvenutti
Peter J. Benvenutti

4 *Attorneys for Debtors and Reorganized Debtors*

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